THE BOMBAY NON-AGRICULTURISTS' LOANS ACT, 1928 (BOM. III OF 1928).

G. N., F. D., No. 6004-E, dated 1st December 1930 (B. G., Pt. I, p. 2951).

S. 6 Bombay Non-Agriculturists' Loans Rules, 1930.

Amended by G. N., R. D., No. 4891/39, dated 28th October 1940.
Amended by G. N., R. D., No. 4891/39 (a), dated 26th October 1940.
Amended by G. N., R. D., No., 4891/39, dated 24th April 1941.

In exercise of the powers conferred by section 6 of the Bombay Non-Agriculturists' Loans Act, 1928 (Bom. III of 1928), the Governor in Council is pleased to make the following rules to carry out the purposes of the said Act :—

1. *Short title and commencement.*—(1) These rules may be called the Bombay Non-Agriculturists' Loans Rules, 1930.

(2) They shall come into force on the first day of January 1931.

2. *Interpretation.*—In these rules, unless there is anything repugnant in the subject or context "the Act" means the Bombay Non-Agriculturists' Loans Act, 1928.

3. *Power of Government to sanction remissions.*—Government shall have full power to sanction remissions of principal and interest.

4. *Purposes for which loans may be granted.*—Loans may be granted under the Act for house-building and house-repairing to non-agriculturists whose houses have been destroyed or damaged by floods or other like calamities and for such other measures for the relief of distress caused by those calamities as may from time to time be determined by Government.

5. *Loans in certain cases how made.*—Advances in villages where co-operative reconstruction societies exist should ordinarily be made through such societies but the Collector may in his discretion grant an advance from the funds at his disposal if in any case owing to exceptional circumstances he thinks it necessary to do so.

6. *When loans may be granted.*—Loans should ordinarily be refused to persons who have already reconstructed houses either from their own resources or by raising loans from Sawkars :

Provided that the Collector, or any Prant Officer or Deputy Collector specially authorised by the Collector in this behalf, may, notwithstanding anything contained in this rule, grant loans in special cases, e.g. where the owner has obviously anticipated a loan from Government and made temporary arrangements in order to save time.

7. *Application.*—(1) An application for a loan under the Act shall be presented to any Revenue Officer not below the rank of an Aval Karkun.

(2) The application may be made either in writing in the form of Schedule I or orally. If orally made it shall be reduced to writing in the said form by the officer to whom it is made. When the security offered is land extracts from the Record of Rights relating thereto must be attached to the application.

(3) The officer granting the loan shall cause such inquiry as he thinks fit to be made into the statements made in the application.

8. *Officers by whom loans may be granted.*—Loans may be granted by the officers mentioned, and to the extent specified against each, in the following table :—

Officer.	Amounts in Rupees. Not exceeding
Collector	2,000
Prant Officer or Special Deputy Collector	500
Mamlatdar or Mukhtiarkar	200
Aval Karkun specially authorised	200

If an individual has more than one house damaged then the unit to which the maxima apply is the individual borrower and not the house.

Loans exceeding Rs. 2,000 will not be granted except for special reasons. Such loans will require the sanction of Government.

9. *Officer granting loans to satisfy himself of security.*—Except as otherwise directed by Government, no loan shall be granted unless the officer granting the loan is satisfied as to the sufficiency of the security, after allowing for a margin of safety. If a loan is to be granted to a *hari* or tenant, not himself a holder, the *hari's* or tenant's house upon which the money will be spent should be his security and his landlord, the zamindar, should guarantee the repayment of the loan. If a loan is to be advanced to a non-agriculturist, he should be required to find solvent sureties to sign the bond (Schedule II) in addition to the house which should be his security for the repayment of the loan.

10. *Security and form thereof.*—(1) Moveable property shall not be accepted as security except under the special orders of Government. Personal security may be accepted, even that of one person, provided that his solvency is certain.

(2) At the time of or before the issue of the loan or the first instalment of it a mortgage bond shall be executed in the form in Schedule II or to the like effect by the applicant and other persons standing as sureties in token that they understand and agree to the conditions contained therein.

(3) In the cases of Hindu joint families the bond shall be signed by the Manager of the joint family on behalf of the family and if possible by all other major members of the family and also by the guardian of the minor members.

(4) In the case of a joint applicantion by several persons for an advance to be taken jointly and severally under a joint bond a bond in the form of Schedule III shall be executed at the time of or before the issue of the loan or its first instalment.

(5) Notwithstanding anything contained in sub-rules (2) to (4), in cases where in the opinion of the Collector it is not possible for the applicant or his sureties to execute a bond for the repayment of the loan under this rule at the time of or before the issue of the loan or any instalment thereof, the loan or such instalment may be paid to the applicant on his agreeing, whenever required by the Collector, to execute a bond in the form in Schedule II or III as the case may be, or in such other form as Government may by general or special order direct.

11. *Period and minimum amount of repayment.*—(1) All loans shall be repayable within a maximum period of ten years. The minimum annual repayment shall be Rs. 10.

(2) Compound interest shall be charged on the amount of any instalment remaining unpaid after the date fixed for its payment.

12. *Procedure on failure of the borrower.*—The officer granting the loan, if at any time satisfied that a borrower has failed to comply with any of the conditions of the loan,

(*a*) shall, if the failure appears to be due to the misapplication of the loan, and

(*b*) may, if the failure is due to any other cause,

after recording in writing the grounds of his decision forthwith proceed to recover under the provisions of section 5 of the Act any sum still remaining unpaid by such persons.

13. *Power of Government to appoint persons to perform duties of certain officers.*—For the purposes of these rules Government may, by general or special order, appoint any person to exercise the powers or to perform the duties of a Collector, Prant Officer or Deputy Collector, Mamlatdar or Mukhtiarkar, or Aval Karkun.

14. *Form of Accounts.*—The accounts of all loans shall be kept in such form as Government may from time to time prescribe.

SCHEDULE I.

(*See* rule 7.)

Form of Application.

I. Applicant's name and residence.

II. Amount and object of loan.

III. Applicant's rights in the land on which his house stands.

IV. Nature of security whether personal or otherwise.

Date

Applicant's signature.

Notes.—(1) This application must be made to any Revenue Officer not lower in rank than an Aval Karkun and shall be free of Court-fee stamp.

(2) Interest at the rate of per centum per annum will be charged on the loan which will be repayable within a maximum period of ten years and the minimum annual repayment will be Rs. 10.

(3) When the security offered is land, extracts from the Record of Rights relating thereto must be attached to the application.

SCHEDULE II.

(*See* rule 10.)

Mortgage Bond.

THIS INDENTURE made the day of One Thousand Nine hundred and between of (hereinafter referred to as " the mortgagor " which expression shall where the context so admits be deemed to include his heirs, executors, administrators, and assigns) of the one part, and THE GOVERNOR OF BOMBAY (hereinafter referred to as " the mortgagee " which expression shall where the context so admits be deemed to include his successors in office and assigns) of the other part.

Whereas the mortgagor is possessed of and entitled free from incumbrances to the property hereinafter mentioned ;

And Whereas the mortgagor has in pursuance of the provisions of the Bombay Non-Agriculturists' Loans Act, 1928, and the rules made thereunder requested the mortgagee to grant him a loan of rupees (Rs.).

And Whereas the mortgagee has agreed to grant the said loan to the mortgagor on condition that the mortgagor shall execute a mortgage of the following property that is to say (here give particulars of the property to be mortgaged) free from incumbrances as security for the said loan of rupees (Rs.) and on the terms and conditions hereinafter mentioned :

NOW THIS INDENTURE WITNESSETH that in pursuance of the said agreement and in consideration of the said loan of rupees (Rs.) (herein after referred to as " the said loan ") paid by the mortgagee to the mortgagor (the receipt whereof the mortgagor hereby acknowledges) the mortgagor covenants with the mortgagee as follows :—

(1) that the mortgagor shall apply the said loan only to the purpose for which it is granted ;

(2) that the $\frac{\text{work}}{\text{object}}$ for the purpose of which the said loan is granted shall be $\frac{\text{completed}}{\text{carried out}}$ by the mortgagor before the day of or the subsequent date to which an extension of time may be granted by the* ;

(3) that the mortgagor shall repay to the mortgagee the said loan of rupees (Rs.) within the period of ten years from the date of the execution of these presents by equal monthly instalments of rupees (Rs.) the minimum instalment payable being ten rupees (Rs. 10) in a year each on the day of each month beginning with the day of next with interest at the rate of per cent. per annum commencing from the .

And if the said loan or any part thereof shall remain unpaid after the said period of ten years the mortgagor will thereafter pay to the mortgagee interest for the same or so much thereof as shall for the time being remain unpaid at the rate of ;

(4) that the mortgagor hereby conveys and transfers unto the mortgagee (here state full particulars of the property being mortgaged, with its area, dimensions, survey or municipal number and boundaries) (hereinafter referred to as " the said premises ") together with all rights, easements and appurtenances belonging to the same TO HOLD the said premises unto the mortgagee as security

* The Officer should be specified.

for the due repayment of the said loan together with interest at the rate hereinbefore mentioned and, so far as may be, for the due performance of all the covenants and conditions of this mortgage, subject to the proviso for redemption hereinafter contained :

Provided always that if the mortgagor shall repay to the mortgagee all the moneys payable under this mortgage in the manner herein provided the mortgagee shall at the request and cost of the mortgagor execute and do all such deeds and acts as may be necessary for reconveying the said premises to the mortgagor or as he may require ;

(5) that the mortgagor shall pay interest at the rate of on the said loan on the day of each month in every year ;

(6) that the mortgagor hereby covenants with the mortgagee that the mortgagor now has good right to convey and transfer the said premises hereby conveyed and transferred unto the mortgagee subject to the following incumbrances, namely ;

(7) that the mortgagor at the request at any time hereafter of the mortgagee will at his own cost execute all such assurances as may be necessary or proper for more effectually vesting the said premises in the mortgagee in manner aforesaid ;

(8) that the mortgagor shall take all reasonable care of the said premises and shall not permit the same to be destroyed or injured or to deteriorate in a greater degree than they would deteriorate by reasonable wear and tear thereof and shall whenever the said premises are injured or deteriorated, forthwith repair and make good the same ;

(9) that if there shall be any breach by the mortgagor of the covenants or conditions on his part hereincontained, or if he shall die at any time before all sums payable to the mortgagee on the security of this deed including interest at the rate specified shall have been fully paid off, then the whole of the amounts for the time being out-standing against the mortgagor shall be immediately recoverable notwithstanding that the period fixed for repayment has not elapsed and it shall be lawful for the mortgagee to enter upon and take possession of the said premises and to sell and assign the same or any part thereof or to let the same for any term or period and to do all such acts for effectuating any such sale or letting as the mortgagee shall think fit ; and the receipt of the mortgagee for the purchase money of the said premises or any part thereof shall effectually discharge the purchaser or purchasers therefrom ; and any deficiency in price or loss which may result from such sale and all expenses attending the same, and all interest charges due under this agreement to the date of such sale shall be made good by the mortgagor and shall be recoverable as if they were arrears of land revenue due by them to the mortgagee ;

(10) that the mortgagor shall bear and discharge all local and municipal rates, taxes, assessments, duties and charges and any judi and any land revenue levied under the second paragraph of section 45 of the Bombay Land Revenue Code, 1879, which may, at any time during the continuance of this mortgage be or become due or payable in respect of the same premises and in case any such rate, tax, assessment, duty, charge, judi or land revenue is required to be paid by the mortgagee the amount so paid by him shall be added to the balance of the said loan then remaining unpaid and shall be a charge on the said premises ;

(11) that the mortgagor shall permit the mortgagee, his agents and servants at all reasonable times to enter upon and inspect the said premises;

(12) that the mortgagor shall not remove any of the fixtures in or upon the said premises except for the purpose of substituting others of a like nature without obtaining the previous consent of the mortgagee;

(13) that no charge created or transfer made by the mortgagor of the said premises or any part thereof during the continuance of this security shall have effect unless the mortgagee shall consent thereto in writing; and

(14) that all the costs and expenses incidental to the preparation, execution and registration of this deed except the stamp duty leviable in respect of this deed for the payment of which the mortgagee hereby undertakes the liability shall be borne by the mortgagor.

IN WITNESS whereof the parties hereto have hereunto set their hands and seal the day and the year first above-written.

Signed by the said mortgagor
in the presence of—
First witness :

Address—

Occupation—

Second witness :

Address—

Occupation—

Signed, sealed and delivered by the
Collector of

in the presence of—

1.

2.

Sureties.

We and of hereby declare ourselves sureties for the abovesaid that he shall do all that he has above undertaken to do and in case of his making any default therein we bind ourselves, our heirs, executors, administrators and assigns, jointly and severally to forfeit to the Governor of Bombay the sum of rupees*
(Rs.) including interest at the rate stipulated in which the abovesaid has bound himself or such smaller sum as shall be deemed sufficient by the Governor of Bombay to recover any loss or damage which the Government may sustain by reason of such default and that such sum shall be recoverable as an arrear of land revenue due from us to the Governor of Bombay.

*Here enter amount sufficient to recover the advance.

And in consideration of the said loan of rupees (Rs.) advanced to the abovementioned and as security for the due repayment of the same we and of hereby mortgage to the Governor of Bombay the lands specified in the margin* [to which we are absolutely entitled free from encumbrances] and agree that in the event of the said making default in repaying the said loan in manner aforesaid the Governor of Bombay shall be at liberty to cause the said lands to be sold and the proceeds to be applied in payment of the amount recoverable from us hereunder.

* When the sureties are not the absolute owners or the property has been previously encumbered the nature of their interest or the details of such encumbrances should be entered in lieu of the words in brackets.

Signed and delivered by and
in the presence of—

1.
2.

SCHEDULE III.

[*See* Rule 10 (4).]

Order granting a joint loan under the Bombay Non-Agriculturists' Loans Act.

WHEREAS the persons mentioned in column 2 of Appendix A hereto as Borrowers (hereinafter called the Borrowers) being residents of in the taluka of and district of have applied for a loan under the Bombay Non-Agriculturists' Loans Act, 1928.

2. [a] [AND WHEREAS the Borrowers (or some, or one of the Borrowers) $\frac{\text{has}}{\text{have}}$ previously been granted $\frac{\text{a loan}}{\text{loans}}$ under the said Act and the amount now outstanding on account of the said loan(s) is as detailed in column 3 of Appendix A [a].

3. AND the Borrowers have agreed to be jointly and severally liable for the repayment of $\frac{\text{the said previous and present loans}}{\text{the loan now granted to them}}$ with interest at the rate of in fixed instalments of ;

4. THIS ORDER WITNESSES that a loan of the total amount of rupees (Rs.) is hereby granted to the Borrowers [b] [with the consent of the persons mentioned in column 8 of the said appendix as to the property specified in the corresponding entry in column 7 of the said appendix, each of the said persons having signed his name in column 8 of the said appendix in token of his consent] [b] at simple interest of per cent. per annum FOR THE PURPOSES respectively specified in column 6 of the said Appendix.

5. REPAYABLE with interest as herein stipulated and the costs of granting the present loan [a] together with the principal, interest and costs outstanding on the said previous loan (s)] [a] in fixed instalments of the amounts and on the dates mentioned in the margin, such instalments to be credited to interest and principal in such proportion and amount as shall from time to time be fixed by the Revenue Authorities subject to the control of Government until the whole of the dues outstanding shall have

Details of instalments.			
Serial No.	Date.	Amount.	Remarks.

[a]—[a] Cancel where there are none.
[b]—[b] Cancel where all the Borrowers have the right to make the improvement.

been repaid (Provided that any further interest, simple or compound, which may be chargeable for delay in payment in accordance with the rules under the said Act shall be recoverable in addition to the said fixed instalments).

6. This loan shall be paid to the Borrowers on production of a certified copy of this Order at the Treasury at in the amounts specified in respect of each Borrower and on the dates and in the instalments mentioned in column 10 of the said Appendix.

7. THIS LOAN is granted subject to the provisions of the said Act and the Rules for the time being in force thereunder and to the following CONDITIONS, namely :—

(1) As to the repayment of the aggregate principal amount of the loan now granted, each of the Borrowers is as among the Borrowers themselves liable for and bound to contribute the amount specified in column 4 of the said Appendix.

(2) As to the payment of the aggregate instalments hereinafter mentioned, which are inclusive of principal, interest and costs of the loan now granted (and previous loans outstanding) each of the Borrowers is as among the Borrowers themselves liable for and bound to contribute (subject to condition 7) the amount specified in column 5 of the said Appendix in respect of each Borrower and such amounts shall (subject to condition 6) be payable on the dates hereinbefore mentioned for the payment of each aggregate instalment.

(3) All the Borrowers are nevertheless jointly and severally liable for and bound to repay to Government the total amount of the loan now granted with interest and costs (together with total amount outstanding on the previous loans hereinbefore referred to with interest and cost), and the total amount so payable shall (subject to conditions 6 and 7) be payable in the aggregate in the instalments and on the dates hereinbefore specified.

8. In default of the due observance by any of the Borrowers of any of the foregoing conditions, or if any instalment is not fully paid within one month of the date fixed for its payment, the whole of the amounts outstanding against the Borrowers may be recovered immediately from the Borrowers jointly and severally, notwithstanding that the period fixed for repayment has not elapsed.

* * * * * * * *

WE the persons who have signed our names in column 11 of the said Appendix hereby agree to all the terms and conditions of the above written Order and to the particulars specified in the said Appendix and accept the same as correct and our signature hereunder made witness this our agreement and acceptance.

AND we further agree that when any disbursement has been made to any of us, the signature or thumb impression of the recipient if made or recorded in Appendix B hereunder written shall be evidence of his having duly received such disbursement to the amount therein specified.

APPENDIX A.

1	2	3					4	5		6	7			8	9			10						11	12
Serial No.	Name and Account No. of Borrowers.	Detailed balances of previous loans still unrecovered.					Portions of present loan for repayment of which the Borrowers are respectively liable as between themselves.	Consolidated instalments (including principal, interest and costs of previous and present loans) for which the Borrowers are respectively liable as between themselves.		Purpose for which present loan is granted	Details of property for the benefit of which the loan is granted.			Signature of person having the right to execute the work or carry out the object whose consent is hereby given to the loan.	Details of land in occupation of Borrower [to be inserted in cases to which column 7 does not apply].			Instalments in which the loan is to be disbursed.						Signature or Thumb impression of Borrowers.	Remarks.
		a Date.	b Amount.	c Rate of Interest.	d Principal.	e Interest.		No.	Amount of each.		S. N.	Area.	Assessment. Remarks.		S. N.	Area.	Assessment.	Amount. Date.		Amount. Date.		Amount. Date.			
																		1st		2nd		3rd			

APPENDIX B.

Serial No.	Name of person to whom the disbursement is made.	Date of first disbursement.	Amount.	Signature or Thumb impression of person receiving disbursement.	Signature of disbursing officer.	Date of second disbursement.	Amount.	Signature or Thumb impression of person receiving disbursement.	Signature of disbursing officer.	Date of third disbursement.	Amount.	Signature or Thumb impression of person receiving disbursement.	Signature of disbursing officer.
1	2	3	4	5	6	7	8	9	10	11	12	13	14

Dated this day of

[Signature]